THE "JUUL" ACT

ITS HISTORY
AND PRACTICAL OPERATION

A TALK BEFORE THE
JOHN MARSHALL LAW SCHOOL
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HISTORY AND PRACTICAL OPERATION OF THE "JUUL" ACT.

The Juul Act is known in the Statutes as an act entitled "An Act Concerning the Levy and Extension of Taxes," approved May 9, 1901, in force July 1, 1901. The whole object of this Act is to reduce the aggregate rates of taxation, with certain exclusions, to 5 per cent. of the assessed valuation. As a matter of fact, it is directed at Chicago alone, for there are so many exclusions from the reduction except in cities of 100,000 population or more that there is no reduction in the State except in Chicago. I think I will be able to show you that the Act has certain very bad features from a financial point of view. I shall also take the liberty to discuss the question whether the Juul Act as it stands to-day under the decisions of the Supreme Court of this State is a constitutional Statute.

Now, I will explain something about the history of the Act. I have already told you that the Revenue Act of 1898 was desirable because of the bad system which existed before that time for the assessment of the value of taxable property. The prime object of the Act of 1898 was to bring out and make subject to taxation much more personal property than had been reached previously. The object was principally personal property. For many years, real estate had been getting much the worst of it, as a payer of taxes. From about 1891 until almost the present time—at least until 1898—there had been great depression in the value of real estate in this city. It was difficult to sell, and when sold the price was not what it had been. In the meantime, the value of real estate for purposes of taxation was being steadily put up by the assessors. I know cases in the down-

town district where the taxation in 1894, a year after the panic, was more than 50 per cent higher than taxes on the same property had been in 1891, although the value of the same property had fallen off in the same time 40 or 50 per cent. Taxes were piled high upon real estate because the real estate was in sight; and in times of depression it is much more difficult to get at a man's unseen personal property than it is to do that in times of prosperity. Moreover, the people had acquired a bluntness of conscience which enabled a man to state untruths under oath with regard to the character and amount of his personal property if he was not likely to be found out. Anyway, real estate was getting more than its fair share of the tax. Therefore, came the law of 1898, which we have already discussed in a former talk, instituting the Board of Assessors and the Board of Review. Now, it was thought that people would come forward much more readily with the true schedules of their personal property if they knew that there would be a lower limit to the tax rate. As part of the general scheme of the Act, and indeed as a very essential part of it, Section 49 was passed. This section was the forerunner of the Juul Act. That part of the section compelling the reduction of the aggregate rates reads as follows:

"In counties containing one hundred and twenty-five thousand (125,000) or more inhabitants the amount to which any county, city, township, school district or other municipal corporation shall be allowed to become indebted in any manner, or for any purpose, shall not hereafter exceed two and one-half per cent. on the assessed value of the taxable property therein, to be ascertained by the last assessment for State and county taxes previous to the incurring of such indebtedness. In any municipality or taxing district in any county or counties containing a population of 125,000 or more inhabitants in which the aggregate of the levies or taxes certified to the County Clerk exceeds five per cent. a reduction shall be made by the County Clerk in the taxes so certified so as to reduce the aggregate of such taxes to five per cent. in the manner following, viz:

"The rate of county taxes throughout the county shall be

fixed by reducing the aggregate rate of taxation in the municipality or taxing district within the county in which such aggregate rate is the highest to five per cent. by a pro rata reduction of all the levies certified therein, exclusive of the State taxes. The rate of each of the other kinds of tax levies shall be fixed in the same manner, taking the highest rate of taxation in any part of the municipality or other taxing district, or part thereof, as the basis of ascertaining the rate of taxation to be levied by such municipality or taxing district, and making the rate of taxation within the limits thereof uniform, and reducing the aggregate rate of taxation in each district in which it exceeds five per cent. to five per cent."

The first thing to be noticed is that Section 49 applies only to Cook County, as Cook County is the only county in the State having a population exceeding 125,000. Another noteworthy point in Section 49 has nothing to do with the reduction or with the Juul Act, but I want to call your attention to it because it shows the animus of the section, and the short-sighted, I might say, cheap policy which lay behind it. In counties containing 125,000 or more inhabitants no municipality may become indebted beyond 2½ per cent. on the assessed valuation. That is a cut of one-half on the limit of 5 per cent. I am told that this provision never received proper discussion in the Legislature. There is a story, the truth of which I cannot vouch for, that this reduction of the limit of indebtedness, was run in late in the night before the passage of the bill. Today, it is hard to believe that such a measure could have found any supporters. If it had any real supporters then, public opinion now has completely veered around. Today, one of the chief reasons for a new charter is that the city's indebtedness may be increased and that certain great public improvements may be made, which can only be made out of the proceeds of bond issues. If Section 49 had been allowed to stand, the indebtedness feature of it would have crippled Chicago permanently.

Now we come to the reduction of the aggregate rates under

Section 49. Let us consider what the County Clerk was required to do. He first must put aside the State rate, which is protected by the Constitution, and, second, the rate for school-building purposes which the Act itself in a *proviso* excluded from the reduction; then the County Clerk enquires whether there is any municipality or taxing district in the county in which the aggregate of the rates or levies certified to him exceeds 5 per cent of the assessed valuation. If he finds any such district or districts, he proceeds to reduce the rates to 5 per cent. as follows: He first finds the County rate by reducing the aggregate rate in the district of the County where the aggregate rate is the highest to five *per cent.* by a *pro rata* reduction of all the rates except the two excluded. This fixes all the rates levied in the particular district. The County Clerk then finds the district where there is the next highest aggregate rates. If any of the rates fixed in the first reduction are in this second district, they are still considered fixed, and are not subject to any further reduction. This is because of the Constitutional provision that the taxes levied by any corporate authority must be uniform within the jurisdiction of the body imposing the tax. Hence the county rate must be the same all over the county; the city rate must be the same in Rogers Park and Austin and everywhere else in Chicago. But the *aggregate rates* will differ in different parts of the same taxing body. The Chicago rate, that is, the rate levied by the City Council, extends all over the city; so does the County rate, because the city lies wholly within Cook County. But the rate levied by the Sanitary District did not then cover the extreme northeast part of Chicago. On one side of a street a man paid the Chicago rate and the Sanitary District rate too, because he lived in both municipalities. Across the street a man lived in Chicago and paid its rate, but was outside the territory of the Sanitary District. Hence the rate of the Sanitary District did not affect him. Outside the city limits to the southwest you pay the Sanitary District rate, but not that of the city. Taking the

rates made in the first reduction as fixed for good and all, the County Clerk then reduces those of the next highest district to 5 per cent, and so the process is continued until the rates throughout the County have been all reduced—except in those places where no reduction is necessary because the aggregate rates do not exceed 5 per cent. This would be either because the aggregate original rates as levied did not exceed 5 per cent or because the previous reduction of the County and other rates left the remaining rates unaffected.

The first assessment made under the new Act was in 1899. Hence in the first week of January, 1900, the County Clerk started out to ascertain where was the greatest aggregate rate and to make the reduction. In examining the rates all over the County he found that the place where the aggregate rate was highest was in the southern part of the Village of Riverside. If you will look at a map of Cook County you will see that the Town of Lyons, which lies just south of the Town of Proviso (in which latter town Riverside is mainly situated) contains a part of Riverside. Roughly speaking, it is that part of the Village of Riverside which lies south of the C., B. & Q. tracks at the depot and is bounded on the south by a loop of the Desplaines River. I should say from recollection that it does not contain as much as one-half square mile of territory. It is, of course, in the County; it is also in the Village of Riverside, in the Town of Lyons and in the Sanitary District, which latter at that time levied under the law a tax three times as great as now. In addition to all these taxes there was a road and bridge tax levied throughout Lyons and there were two school taxes. One was a rate of 1.57 per cent. for School District No. 5. There was also a high school tax in Riverside of .87 per cent. One or the other, I forget which, of these taxes was said at the time to represent a temporary improvement in the educational system. The amount produced could not have been more by reason of the increase, than $1,000, or $2,000, but the result was to make this little territory the spot in

Cook County where the aggregate rates were higher than anywhere else—a trifle higher than in the Town of West Chicago, which had the next highest aggregate. So it came about that in order that Riverside might have this small increase in its taxes—because in order to produce a few thousand dollars out of a very small assessed valuation you must have a rate of a size that would produce perhaps many hundred thousand dollars in the City or the Sanitary District or the County—the City and the County and the Sanitary District had to lose hundreds of thousands of dollars. This seems incredible. This is how it happened. The County Clerk first put together all the rates in that territory which had the highest aggregate rates; that was in this little territory at Riverside. They amounted to about 7½ per cent. He then reduced them to 5 per cent. as before explained, taking the proper proportion. When the rates were all reduced, the sum of the rates would be 5 per cent. You now have fixed several rates. You have the County and the Sanitary District, both of which enter into the aggregate rates in the City of Chicago. But, as I have explained, you must have the same rate for the County everywhere in the County. You must have the same Sanitary District rate everywhere in the Sanitary District; hence those rates fixed at Riverside were fixed not merely as the County and Sanitary District rates at Riverside, but as the rates of those two taxing bodies all over their respective territories. That is the first part of the process in showing how Chicago and the County and the Sanitary District were affected. The second is this: It became now the duty of the County Clerk to fix the rates in the next highest district. The next highest district in the year 1899 was the Town of West Chicago. The County Clerk did not under Section 49 ascertain these rates by adding up all the separate rates as *originally* levied and reducing them to 5. He must take the County and Sanitary District as already fixed, and his rates then will be the County (*fixed*), Sanitary District (*fixed*), the City corporate, the School Board, the

Public Library, the West Town and the West Park rates—all except the first two as originally levied. Now, anyone can see at a glance that a great difference will be made to the Chicago rate by the fact that the County and Sanitary District rates are already fixed. It made a difference in the proportion when the reduction of the City rate was made. A still greater difference was made in the County and Sanitary District rates. Those rates would have been fixed in the West Town had it not been for the desire of the school trustees either of Riverside or of District No. 5 to add, no doubt properly, to their expenditures; because, of course, the higher any rate is made the lower will be all the others after the reduction has been worked out.

Both the City and Sanitary District and the Board of Education filed petitions for mandamus against the County Clerk to compel him to extend the taxes in the same old way without the reduction. The question also was raised in a case which went to the Supreme Court in December, 1899—which was a general attack on the Act. The City's case is Knopf v. The People, 185 Ill. 20. The ground upon which the Act was held unconstitutional is very plain. You will remember the Constitution of this State provides that no special act shall be passed where a general law can be made applicable. This act was held unconstitutional as against this provision of the Constitution for the reason that villages and towns had their tax levies affected not because of any characteristic in themselves, but for the mere reason that they were situated in a county having 125,000 inhabitants. The City of Evanston was the example taken by the Court. There are half a dozen cities in the State of about the same size—Joliet, Aurora, Springfield and Quincy. Now, there is no legal reason why Evanston should have its taxes reduced to 5 per cent. that would not also apply to these other towns. The only reason why Evanston was subjected to the operation of the Act was because of the mere fortuitous circumstance of its being situated in a county of 125,000 inhabitants. There is a plain

difference between this point and the point that arises in cases where a law is made applicable only to cities of a population greater than 100,000. Such statutes have been held valid in many cases, where there was a rational connection between the classification adopted and the subject matter of the Act.

An amusing feature of the case came from an argument made for the constitutionality of the act to the effect that for many years the tax payers had not told the truth about their personal property, and that Section 49 was an inducement to them to tell the truth. In the preceding year, 1899—the Court was told—they had come forward to a greater extent than before and told the truth about their personal property. Having done this, it was claimed it would now be unfair not to reduce the rate as promised. The argument was that the tax payer had been deceived into truthfulness and cajoled into honesty. The Supreme Court made short work of this argument.

So Section 49 came to an end by the Knopf decision. That was, as I have told you, late in January, 1900. That year the Legislature did not sit, it being an even year. A great clamor was raised against assessing the taxable property that year upon its real value, for the reason that Section 49's reduction no longer existed. The Assessors and the Board of Review yielded to the outcry. The assessed valuation for Chicago in 1898 had been $226,000,000 for the real value; in the year 1899, under the new act, it jumped to $345,000,000 for the assessed valuation, which was one-fifth of the real value, but upon Section 49 being found invalid by the courts, the Assessors and the Board of Review deliberately and arbitrarily reduced the assessment both of real estate and personal property, so that the total assessed valuation was set for 1900 at $276,-000,000. You can explain this action as you choose. It was unquestionably a breach of the law.

We come at last to the operation of the Juul Act. On the whole, I believe this law to be a vicious one. There is a feeling abroad in this city that any man who thinks ill of the Juul Act is necessarily a bad citizen. The only good quality of the

Act is that it makes the rates low; and, of course, it is better to have low rates of taxation than high rates, provided you get the things which, as a city, you need. But as far as the element of definiteness goes, the Juul Act is a very little improvement on the law as the law stood before its passage or before the passage of Section 49. Any taxpayer in any part of Cook County, if he took the trouble to investigate, could ascertain the maximum aggregate of the rates which he would have to pay. The city can only levy 2 per cent for corporate purposes. As to its levy for bonded indebtedness, no act which the Legislature could pass can reduce that. And the levy for bonded indebtedness is limited, too, for it can only be each year for interest—which would certainly not be more than 5 per cent on the total of the debt—and sinking fund, which would be just that amount, that is to say, an amount sufficient to retire the indebtedness at the end of twenty years. Now the debt limit is 5 per cent of the assessed value. That will give you as the maximum tax for bonded indebtedness one-half of 1 per cent., or 5 mills on the dollar of assessed valuation. So, you see even the levy protected by the constitution has its limit. The county can only levy .75 per cent and about .04 per cent in addition for indebtedness outstanding before the adoption of the Constitution of 1870. The West Town and West Park aggregate 1.35 per cent. and cannot be more than this. The Public Library tax is .10 per cent. The maximum rate of the Board of Education for educational purposes is 2.50 per cent, and the aggregate rate of the Sanitary District is or should be .50 per cent. These come, all told, to 7.74 per cent. As a matter of fact, they never have been levied to such an extent; but, at all events, it is clear that the Juul Act does not bring any more definiteness to the rates than existed before its passage. Many real estate men around town, and a great many property owners, will tell you that the Juul Act was carried about in the Ark of the Covenant, and that there is something peculiarly sacred about it. But that is

not so. You will, I believe, find, on the contrary, that it is a very inadequate and sloppy piece of legislation.

It is time, however, that you learned what the Act is about. It is an act of the General Assembly, entitled "An Act Concerning the Levy and Extension of Taxes," approved May 9, 1901, in force July 1, 1901. The County Clerk is directed to ascertain the rates per cent required to be extended upon the assessed valuations of the taxable property in the respective towns, townships, districts, incorporated cities and villages in his county, to produce the amounts certified by the taxing bodies for extension. The rate per cent of course, is found by dividing the amount asked for by the valuation. If the aggregate of all the taxes, exclusive of state, village, levee, all school taxes, road and bridge taxes and bonded indebtedness taxes, where the bonded indebtedness exceeds 10 per cent. of the valuation, exceeds 5 per cent. they must be reduced pro rata to 5 per cent. This sounds just like old Section 49, except that there are more exclusions. That is just where the difference comes in, because the exclusions are so great that if the Act stopped here, there would be no reduction at all. In Riverside, where the first reduction took place four years ago, you would have all school taxes excluded, all village taxes, and road and bridge taxes. These three kinds of taxes in 1889 came to about 4 per cent upon the assessed valuation. Without these, the taxes subject to reduction would come to a little over 3 per cent. Hence, in Riverside, there is now no reduction at all of the aggregate rates. The only reduction is an indirect one, arising from the reduction which takes place in Chicago, of the County and Sanitary District rates, both of which also cover Riverside. The Act was not intended to reduce taxes anywhere except in Chicago, hence it begins by excluding from the reduction enough taxes to prevent any reduction anywhere. You then come to the proviso which lands the reduction in Chicago as follows:

"Provided further, in reducing tax levies hereunder all school taxes levied in cities exceeding 100,000 inhabitants, with the exception of the levy for school building purposes, shall be included in the taxes to be reduced." Now see how this works. Chicago is a city, not a village. A village tax is excluded from the reduction, but not a city tax. Chicago has no levee tax. That exclusion was for the purpose of preventing the reduction from taking place in the counties along the Mississippi. The tax for educational purposes, which is excluded generally but included in the reduction here, amounts to 2.50 per cent. You will find that what it really provides is this: That in cities of over 100,000 inhabitants there shall be a reduction of the aggregate rates down to 5 per cent of the assessed valuation if those aggregate rates, exclusive of the state rate and the school building rate, shall exceed 5 per cent. In other words, the act provides that such reduction shall take place in Chicago, and nowhere but in Chicago.

What I wish to do tonight is to point out two or three facts in the mode of operation of this act which have been brought to my attention, which I think are inconsistent with any rational system, either of municipal taxation or municipal finance. First of all, let us see what the County Clerk does as a practical matter. It is just the same operation as that which I described to you as taking place when Section 49 was in force, except that the reduction by the County Clerk for districts where the rate exceeds 5 per cent is now limited to Chicago. He ascertains the rates levied by all the taxing districts in Chicago. He then searches for that part of Chicago which has the highest aggregate rate of taxation, which is the Town of West Chicago. Every municipality since the passage of the Juul Act has been levying its full rate in order to save itself on the reduction. That rate amounts in the Town of West Chicago to 7.55 per cent of the assessed valuation. That, of course, excludes state taxes and the taxes for school building

purposes of the Board of Education. This aggregate is then reduced by the application of the rule of three to five per cent. of the assessed valuation. That is, as 5 is to 7.55, so X is to the amount originally levied by the particular municipality. The reduction is made **pro rata** throughout.

The framers of the law wholly disregarded the fact that when you come to ascertain the various rates, the boundaries of the various taxing bodies whose rates are reduced differ wholly in area and in amount of assessed valuation. For the Sanitary District, which takes up the whole of the city and much outlying territory, the assessed value of the taxable property in 1903 was $431,000,000. For the county itself it was about $440,000,000. For the city it was a little more than $411,000,000. The city levies which are assessed against $411,000,000 include the City, the Public Library and the School Tax. The tax on the West Side was levied against the $89,000,000 of taxable property in the Town of West Chicago. Against the county valuation there was levied the county tax. It will be plain at once from a mere application of arithmetic that in this system of reduction from 7.55 to 5, each fraction in the rate of every taxing body has exactly the same value as the same fraction in the rate of any other taxing body. But the assessed valuation of taxable property against which these rates are levied are very different.

This brings me to the first example. In the year 1901 an act was passed authorizing the authorities of the Town of West Chicago to issue bonds to the extent of one million dollars for the acquisition and maintenance of small parks and pleasure grounds, and to raise a tax of one mill on the dollar for the purpose of maintenance and of paying the interest on these bonds and their sinking fund. If that tax had not been levied last year, instead of there being an aggregate rate of taxation of 7.55 per cent, it would have been 7.45 per cent. This difference in the rates seems to represent an extremely small amount of

money; but the result of it was this, that that mill on the dollar, or ten cents on $100 of taxable property, when distributed between the other taxing bodies, made a loss to the City of Chicago of a little over two and a half cents on the hundred dollars. That ten cents was so spread over the other taxing bodies that the loss to the Sanitary District was about one cent, and the loss to the County about the same. The loss to the schools was something like three cents on one hundred dollars valuation. The result of it was this, that the levy produced for the West Park Board on a valuation of $89,000,000, $89,000. Now, as the Juul Act cuts down the levies about 33 per cent, this $89,000 was reduced to about $60,000 or $61,000, so that all that the Town of West Chicago or the West Park Board received for the purposes of its small parks and pleasure grounds under the Act of 1901 was about $61,000. The City of Chicago suffered a reduction of about two and a half cents on the hundred dollars by reason of that additional tax for the West Park system. As the assessed valuation of the city's taxable property was $411,000,000, the additional reduction of two and a half cents amounted to about $100,000. This sum the City of Chicago actually lost by reason of the West Town getting $61,000 net. . The loss to the school system of Chicago from the same cause was something like $130,000; the loss to the County, $50,000; the loss to the Sanitary District perhaps $30,000. The total loss to all the taxing districts could not have been less than $300,000. Now, that was loss outright. The taxing bodies were out that much money, which they would have got if the law of 1901 had not been passed and the levy made. Now, it seems to me that an act which works in that way can hardly be called consistent with any system of finance or legitimate taxation. It would have been much better, as any one can see, if it could legally have been done, for the City, the Sanitary District, and the County, to chip in

and pay that $61,000 over to the West Park Board for its small park purposes, and save their own money.

I would like to call your attention to another case of a like nature in the operation of the Juul Act. The Sanitary Board, as we all know, is the corporation which conducts and maintains the Drainage Canal. The City of Chicago is wholly dependent for the purity of its water supply on the maintenance of that system. The maintenance of it is an extremely important and costly matter. The Chicago River has to be deepened. The intercepting sewer system in construction at Thirty-ninth Street on the south and at Lawrence Avenue on the north has to be built and then kept up. The maintenance of all that system will take a great sum of money, a very large annual sum. Now, the Sanitary District of Chicago has had, under the statute creating it, since 1899 (the time of the completion of the Main Drainage Channel) a tax rate of fifty cents upon the hundred dollars; one-half of one per cent. (or 5 mills on the dollar) on the assessed valuation. It has a right to an indebtedness of $15,000,000, and under the Constitution of the State and the statute it must, as must all municipalities, levy every year a sinking fund for the retirement of its indebtedness within twenty years and must levy for the payment of interest on its indebtedness. This levy will amount to about ten per cent. of this $15,000,000. That comes to about $1,500,000, which the Sanitary District must levy under the Constitution every year for the payment of its bonds. That amounts to a rate on its valuation equal to about 34 cents on the hundred dollars. It has to have, as I say, this thirty-four cents on the dollar, *which cannot be reduced;* yet under the operation of the Juul Act, which, as I said before, cuts down the taxes that are asked for, about thirty-three per cent. you have seventeen cents taken off of fifty cents. So, instead of having thirty-four cents with which to pay the bonded indebtedness of the Sanitary District, you have about thirty-two cents, or thirty-three cents in all—*not enough to pay the bonded indebtedness alone, and not*

a cent left for the maintenance of the Sanitary District and the purification of the water supply of the City.

Well, the authorities who spread the taxes in Cook County were in a great difficulty. They did what it always seemed to me their duty called upon them to do. They arbitrarily and unlawfully, without any regard to the Juul Act, staring them in the face, gave the Sanitary District about 20 or 25 cents out of hand. The Sanitary District had no more right to this increase than the City of Chicago has a right, for corporate purposes, to levy a two and a half per cent. tax instead of two per cent. That illegal increase of the Sanitary District's tax has been made two years running to my knowledge. It will probably be made again next month. The difficulty arose from no other reason than the operation of the Juul Act, because if there were not that reduction, or if the Sanitary District were excluded from the reduction, you would have the bond levy made and have sixteen cents for maintenance. Now, I say that a scheme that reduces thus the taxes of a municipal corporation that is of such stupendous necessity to this whole community as is the Sanitary District is utterly bad. It seems as if the framers and supporters of the Juul Act thought of nothing but the selfish object of getting a reduction in their taxes regardless of the welfare or even the health of the community.

The only other illustration of the operation of the Juul Act that I wish to call attention to is this: In the year or two prior to the first of last January, the Public Library Board of this city had amassed a savings of $125,000 or $130,000. When I say "savings," I mean that in the two years the expenditures of the Public Library have been about $125,000 less than the income, and the Board in consequence had been able to reduce their anticipations of tax levies about that extent. The City of Chicago was, of course, in hard straits. When the Library Board came around to the Finance Committee to get its annual appropriation, it was very naturally

suggested by the members of the committee that the Library Board, being so much better off than any other city department, having this large sum put away, should get this year a less amount by perhaps two cents. When I say two cents, I mean that the Library Board is allowed by law a tax of ten cents on the hundred dollars of assessed valuation, and the suggestion was that, instead of getting that full amount, it should receive eight cents. That would have amounted to a loss to the Library Board of about $82,000. Their revenue would have been cut down about that much. The point was then made to the Finance Committee that it was true that the Library Board's income could be cut down by $82,000, but where would the money go? Under the Juul Act the City of Chicago gets about twenty-five per cent of all the taxes. The County gets about fifteen per cent, and the whole of it is divided up in that way between six or seven taxing bodies, but the share of the City of Chicago which the Finance Committee were endeavoring to conserve would be only about twenty-five per cent of that $82,000. The value of the two cents taken from the Library would be spread in the reduction among all the taxing bodies proportionately.

CONSTITUTIONALITY OF THE JUUL ACT.

I believe the Juul Act contravenes certain provisions of the Constitution of 1870. The last paragraph of Section 22, Article IV., provides that "in all other cases where a general law can be made applicable, no special law shall be enacted." I find no reasonable distinction between the character of Section 49 and that of the Juul Act in respect to this provision of the Constitution. The proposition can be put in a nutshell. It is this: Section 49 of the Revenue Act of 1898 was held to contravene this provision of the Constitution, by reason of the fact that a municipality, such as Evanston, had a change worked in its rates of taxation for the sole reason that it was situated in a county

having 125,000, or more, inhabitants. The Juul Act contravenes the same provision of the Constitution in that a municipality, such as Evanston, has a change worked in its rates of taxation for the mere reason that it is situated in a county in which there is a city having 100,000 inhabitants.

In the case of Section 49, no rational connection could be found between the reduction of the taxes of various municipalities and the fact of Cook County having 125,000 inhabitants. There is even less connection between an alteration of the taxes of Evanston and the fact that Evanston lies in a county in which there is a city with 100,000 inhabitants. I will give you an example which, perhaps, may bring out more clearly the absence of any link in reason between the object of the Act and the mode of classification adopted. The object of the Act is the reduction of the rates, in cities of 100,000 people, to 5 per cent. of the assessed valuation. That is the direct object. The indirect object, which does not show on the face of the Juul Act, is to effect a reduction of the rates of every municipality in Cook County; inasmuch as the county rate is of necessity reduced. The example I have in mind is this: The municipality of La Grange is situated a mile or so east of the western boundary of Cook County. The municipality of Hinsdale lies a mile and a half, or so, west of La Grange and just over the boundary of Cook County. Du Page County, in which Hinsdale lies, contains no city with 100,000, or more, inhabitants. Hinsdale and La Grange are as like as any two suburban towns could well be. It would be impossible to pick out any essential or characteristic distinction between them, yet the tax rates of La Grange are altered for the mere fact that La Grange lies within the same county as Chicago. Hinsdale, being two miles further west, has all its taxes stand as originally levied by the various taxing bodies.

If the Juul Act is unconstitutional, as I believe it to be, I see no reason why its constitutionality should not be attacked by proper proceeding. Its absurd features could be remedied, if

under the constitutional amendment a consolidation of the Chicago towns is made, and the reduction of the aggregate rates to 5 per cent. might be held valid if the provision affected Chicago alone. Certainly no one is bound to keep one's hands off this piece of legislation. At the time when its passage was being urged before the General Assembly, help was sought on all sides. A distinct arrangement was made that if the city authorities would not fight the Act after its passage, the city taxes for bonded indebtedness would be excluded from the reduction in the sense that the state and school building taxes are excluded. This agreement was not kept by those who had in charge the effort to pass the bill. The city authorities have been only too scrupulous in adherence to their side of the bargain.